Rep. John Campbell (R-CA), in a smart move, wants to require the biggest banks to hold more capital against potential losses (meaning they have a bigger cushion, and thus less potential need for a bailout, if the economy goes south). However, he plans to pair his legislative push for higher capital requirements with the repeal of two other important parts of the Dodd-Frank financial reform law:

U.S. Representative John Campbell plans to offer legislation aimed at reducing the size of "too- big-to-fail" banks by requiring them to hold more capital including long-term debt.

His legislation would also repeal Dodd-Frank's heightened standards for systemic institutions and its ban on proprietary trading, known as the Volcker rule. **Campbell** said that with additional capital requirements, a ban on proprietary trading would be unnecessary.

The first measure **Campbell** wants to repeal allows regulators to place more stringent regulations on the biggest banks, making them adhere to even stricter requirements than their competitors that are small enough to be allowed to fail. The GOP has wanted to do away with this provision for years, which amounts to ignoring the problem of too-big-to-fail, not mitigating it.

Campbell's bill would also repeal the Volcker Rule, which is meant to prevent the biggest banks from engaging in trading for their own benefit taxpayer-backed dollars. Congressional Republicans have done the bidding of the financial services industry by watering this rule down to a shell of its former self, but it still would help reduce some of the risky practices that contributed to the financial crisis.